

From San Francisco
Wilhelmina, Feb. 13.
For San Francisco:
Matsonia, Feb. 7.
From Vancouver:
Niagara, Feb. 21.
For Vancouver:
Makura, March 2.

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WAR CLOUD LIFTING; BERLIN NEWS SHOWS HOSTILE ACTS ARE CHECKED

SUGAR TARIFF TO STAY UNCHANGED, IN REVENUE BILL

Democrats Decide to Get Needed Funds From Heavy Taxing on Large Fortunes and Profits

[Note.—While the sudden rush of war preparations will make necessary some revision of the revenue-raising plans to provide large additional sums, it is thought unlikely that there will be any further discussion of changing the sugar tariff, so that the correspondence below, though written 12 days ago, is still timely as regards sugar.]

By C. S. ALBERT
(Special Star-Bulletin Correspondence)
WASHINGTON, D. C., Jan. 25.—Sugar has been formally eliminated as a source of additional revenue by the house Democratic leaders. There is no possibility that the Payne-Aldrich rates will be restored, or a consumption tax imposed, unless an amendment to that effect is proposed and sustained in the senate. This is considered highly improbable.

As heretofore indicated excess profits and estates must bear the brunt of taxation to meet the big treasury deficit coming. Sugar neither will be given additional protection, as favored by the Republicans, nor made to pay a tax on the quantities used, as suggested by a few Democrats. It appears to be entirely out of the running.

New Measure Virtually Completed
The new Democratic revenue measure virtually has been completed. It levies a tax on excess profits and increases the existing tax on inheritances. A party caucus to approve the bill will be held in the immediate future.

The fundamentals of the bill were decided upon several days ago by the majority members of the committee, but drafting of the emergency measure was left to a subcommittee consisting of Chairman Kitchin and Congressmen Hickey and Hull. This subcommittee has worked out a bill in accordance with administration plans to raise additional revenue through the two items mentioned.

It is proposed that the excess profits shall be collected in the same manner the government now collects the income tax. There must be returns, under oath, from every copartnership and corporation, and if the internal revenue officers doubt completeness of such returns they are given inquisitorial powers to go into the taxpayers' records to show the error of or substantiate his returns.

It was said today that no new machinery will be provided for the excess profits tax; that is, no new bureau in the treasury is contemplated.

Revenue Bureau to Handle
The internal revenue bureau, with the addition of a few experts on tax gathering, is regarded as being able to cope with the details of the new tax and the taking in of the shewels thereunder.

The impending treasury deficit will call for additional revenue of about \$250,000,000 during the next fiscal year. This amount, it is estimated, can be raised by a revenue bill covering two items, instead of one which revises the tariff or taxes many items.

Democratic members of the committee will submit to the caucus a proposal to raise the existing tax on inheritances 50 per cent and to levy a new tax of 8 per cent on all "excess profits." "Excess profits" are to be construed as all profits above an 8 per cent return on capital stock plus flat \$5000 exemption. This flat exemption of \$5000 will be allowed in all cases before the 8 per cent tax becomes operative.

It is said by Democratic members of the committee that plans to modify the income tax or tinker with existing tariff duties, have long since been abandoned and the revenue bill, as forecast, will relate only to inheritances and excess profits.

Fortunes to Be Well Taxed
Chairman Kitchin's revised figures are that the tax on profits will yield \$220,000,000 in revenue each year. The higher rates on inheritances are expected to yield \$22,000,000 additional.

"It is estimated," said Mr. Kitchin, "that during the next fiscal year we must have approximately \$225,000,000 additional revenue. The proposed tax on 'excess profits' and the inheritance tax will yield this sum, according to our figures."

It is understood Republican members of the ways and means committee will not be called into consultation until after the Democratic caucus shall have approved the bill as drafted by the majority members of the committee. The Republicans then

Army "On The Job" in Honolulu, Helps to Guard City and Keep Order During Tense Days and Nights



Market Holds Firmer Tone

NEW YORK STOCK MARKET TODAY

	Today.	Yesterday.
Alaska Gold	8 1/4	7 3/4
American Smelter	99 1/4	99
American Sugar Rfg.	107	106 1/2
American Tel. & Tel.	125 1/2	125 1/2
Anaconda Copper	76 3/4	76
Atchafalpa	103	102 1/2
Baldwin Loco.	52 1/2	51
Cincinnati & Ohio	75 1/2	75 1/2
Eastman Steel	410	414
Calif. Petroleum	23 1/4	23 1/4
Canadian Pacific	155	155 1/2
C. M. & St. P. (St. Paul)	181 1/2	181 1/2
Colo. Fuel & Iron	44 1/4	44
Crucible Steel	67 3/4	67 3/4
Erie Common	27	27
General Electric	165 1/2	166
General Motors, New	108	107 3/4
Great Northern Pfd.	113	115
Inter. Harv., N. J.	118	115
Kennecott Copper	44 1/2	43 1/2
Lehigh R. R.	74 1/4	74 1/4
New York Central	95	85
Pennsylvania	54 1/4	54 1/4
Ray Consol.	26	25 1/2
Reading Common	91 1/2	92 1/2
Southern Pacific	92 1/2	92 1/2
Studebaker	103 1/2	100 1/2
Texas Oil	212	210 1/2
Union Pacific	135	134 1/2
U. S. Steel	107	107 1/4
Utah	108 1/2	109 1/2
Western Union	94 1/4	94 1/4
Westinghouse	52 3/4	51
May Wheat	1.79 1/2	1.74

*Bid. †Ex-dividend. ‡Unquoted.

SUGAR
SAN FRANCISCO, Cal., Feb. 5.—Sugar: 96 degrees test, 4.735 cents. Previous quotation, 4.64 cents.

NEAR COAL PILE, CHINESE IS SHOT

With one of the pair suffering from a wound in the left leg below the thigh, inflicted by a bullet from a rifle in the hands of a U. S. infantryman, two Chinese are in Oahu prison and will be charged with stealing government property.

According to details given Marshal J. J. Smiddy, the two Chinese were detected at about midnight last night stealing coal from one of the big piles of government fuel on the waterfront. As the guard approached the men started to run away. The guard fired the bullet, striking one of the men in the leg. The other was apprehended shortly after.

Marshal Smiddy placed the men under arrest this afternoon and locked them up in Oahu prison. Eleven bags of coal, believed to have been placed there by the Chinese, were found hidden in a stable near the coal pile.

will be given an opportunity to vote for or against the Democratic measure, which becomes a party measure as soon as submitted to a binding caucus.

Mutual Wireless Offers Entire Service to Navy

(Associated Press by Cable)

WASHINGTON, D. C., Feb. 6.—J. A. Balch of Honolulu yesterday afternoon offered to Secretary of the Navy Daniels the entire use of the Mutual Telephone Company's radio system in Hawaii, of which he is manager. He offered not only the use of the equipment, but the organization and personnel of the company. The offer was made because of the breaking off of diplomatic relations with Germany and the possibility that the Mutual Wireless might be needed by the navy department.

Mr. Balch went to Washington to protest against the proposed regulations of commercial radio companies, which would virtually put the Mutual Wireless out of business.

BARK GEORGE CURTIS IS LEBELED FOR \$545

K. P. Anderson, a seaman, today filed in the federal court a libel suit against the American bark George Curtis, now lying at Pier 16, in which he seeks to recover alleged damages in the sum of \$545 and \$45 for his passage from here to San Francisco. Attorneys George S. Davis and George S. Curry are representing the plaintiff.

Anderson alleges that, during the voyage from Bellingham to Honolulu he was seated beside the foremast yard on the foremast and that the yard in some manner moved downward, his foot striking against the foremast-stay. As a result, Anderson alleges, his foot was painfully bruised and that he was unable to work for two weeks.

FORBES IS IMPROVING FROM RECENT OPERATION

Although Charles R. Forbes, superintendent of public works, is still planning to return from San Francisco on the Wilhelmina, due here one week from today, his condition is such as is said to require another major operation as soon as his system has sufficiently recovered from the shock of the first, according to private advice received from the coast.

Forbes is returning to take up matters of business connected with his office in the coming legislature. It was said today, but will probably ask for a longer leave soon after this has been attended to. His improvement since the operation has been slow.

A terrific explosion, followed by fire, wrecked the power house of the Buffalo & Susquehanna Coal Company at Dubois, Pa., at a loss of \$50,000.

MAIN FEATURES OF GERMAN NEWS HERE

Hearing by immigration officials in the cases of officers and crews of refugee German steamers were expected to begin this afternoon. These hearings are private. This morning the officials were engaged in making investigations and inquiries.

Federal officials express belief that habeas corpus proceedings for the release of men held by immigration authorities would fail. Passengers arriving on Inter-Island steamer Mauna Kea had no knowledge of occurrences here Sunday until their arrival. No information on the subject had reached Hilo up to the time of sailing Monday.

Wireless inquiries to the Star-Bulletin correspondent at Hilo as to the refugee ship O. J. D. Ahlers, reported damaged, brought the advice to ask federal officials. Assistant Collector Sharp replied that he had reported to Washington and until advised from there could give no information. The assumption is that the Ahlers is damaged or that contrary statement would be given. Passengers from Hilo and officers of the Mauna Kea had heard nothing of any damage to the vessel.

SWIFT INDICTED FOR FAVORITISM IN HEN PRICES

CORNING, Ia. — A district court grand jury indictment just made public here is against Swift & Co., packers, charged with discrimination in the purchase of poultry. It is alleged higher prices were paid by its agents at Prescott, Iowa, than were paid at Corning the same day. Competition, it is said, is greater at Prescott than at Corning.

Two photos above show 2nd Infantry troops from Fort Shaft-er encamped in capitol grounds, where public buildings, including armory, are guarded. Below — Soldiers on duty around Pier 7 (Alakea wharf). It was just west of this that the Locksun, the Geler and the Pommern were lying during the exciting events of Sunday morning.

NAVY CENSORSHIP TABU IS LIFTED

At 9:30 this morning the naval censorship was entirely lifted on cable news and newspaper correspondents who had been under rigid restrictions were able to communicate freely with their mainland offices.

Yesterday afternoon, as told in late editions of this paper, the censorship on incoming messages—which had already been lifted on the coast—was lifted. Today the censorship on outgoing press matter was lifted, too.

At the wireless offices messages may be received and sent out freely except that no wireless message may be sent out referring to the movements or situation of the German interned vessels Geler and Locksun. It is understood that there is no such censorship on references to the refugee merchant vessels.

This precaution, it is understood, is in line with the attempt on the part of the naval censor to preserve strict neutrality and to allow no messages to be picked up by belligerent ships at sea referring to hostile vessels.

No announcement has been made on commercial messages but it is understood the censorship is virtually off on these, also.

FOUR SUNK TOLL REPORTED TODAY

(Associated Press by Federal Wireless)
LONDON, Eng., Feb. 6.—The British ship Belford and the Norwegian bark Tamara have been sunk, says a Lloyd's despatch. Other advices are that the British steamers Floridian and Warley have been sunk.

SANTA FE OFFICIAL KNOWN HERE IS DEAD

Mail advices received on the Sonoma today by General Agent H. E. Vernon of the Santa Fe's Honolulu office, tell of the death at his residence in Alameda, California, on January 30, of William A. Bissell, chief traffic official of the Santa Fe system on the Pacific coast since 1887.

Bissell visited Honolulu last year, staying at the Moana. He was charmed with the islands and said he hoped to come here again this winter. His death resulted from heart trouble. In honor of the assistant traffic manager's memory the Santa Fe system's activities paused for five minutes February 1.

SOCIALIST WANTS SEAT

(By Associated Press)
BERLIN, Germany.—Franz Mehring, the German Socialist leader who was recently released from internment, has accepted an invitation to contest the seat made vacant by the imprisonment of Dr. Karl Liebknecht.

SHIPS OF U. S. AGAIN SAILING

Foreign Secretary Zimmermann Quoted As Declaring Against Conflict With Uncle Sam---Holland in Shadow of Possible Strife---Switzerland Declines to Follow Wilson's Lead

(Associated Press by Federal Wireless)

LONDON, Eng., Feb. 6.—A wireless despatch received here quotes the Overseas News Agency of Berlin to the effect that Dr. Alfred Zimmermann, secretary of foreign affairs, has said in an interview that Germany joins President Wilson in the wish that there be no conflict between the two nations.

The interview with Dr. Zimmermann quotes him as also saying that Germany appreciates "those words of a non-hostile character" in his address to Congress on the occasion of severing relations.

BERLIN, Germany, Feb. 6.—No acts of an unfriendly nature to the United States are reported since the severance of relations. Whatever the feelings of the Germans toward the United States, it is insisted in official circles and in the newspapers, it will not be manifested in other than a consideration and courtesy toward American residents in the country.

The general opinion of the Berlin and other German newspapers, on the present German-American tension, is that President Wilson has failed to grasp the real significance of affairs in Europe and has misinterpreted the positions and intentions of the German government and citizens.

Holland Lodges Protest Against Germany's Ruthless U-Boat War

(Associated Press by Federal Wireless)

THE HAGUE, Holland, Feb. 5.—The cloud of war has not lifted from Holland.

It was learned today that Holland has protested strongly to Berlin against the German decree declaring for unrestricted submarine warfare.

The Dutch foreign office refuses to give the details of the note of protest. Premier Cort Von Der Linden in a statement to the second chamber of the Dutch parliament declared:

"Serious events are occupying the government's attention. At the present moment it is impossible to give information regarding them. The government will not neglect to inform the chamber as soon as it is expedient. There is no reason at this moment for special anxiety."

Switzerland Won't Join With U. S.

(Associated Press by Federal Wireless)

WASHINGTON, D. C., Feb. 5.—Information has been received here that Switzerland declines to follow the suggestion of President Wilson that other neutral countries follow the example of the United States in severing relations with Germany.

The adverse reply from Berne is the first known response received to the notes sent out by the president after the United States took action.

LONDON, Eng., Feb. 6.—The Spanish reply to the "unrestricted submarine warfare" note of the Central Powers will be made public tomorrow.

U. S. Army Laying In Huge Stores

(Associated Press by Federal Wireless)

WASHINGTON, D. C., Feb. 6.—While the diplomatic situation is at an acute stage, naval and military preparations for actual recourse to arms are proceeding rapidly. The immediate purchase of reserve quartermasters' supplies for the army to the limit under all available appropriations was ordered today by Secretary of War Baker. Many army purchasing agents are busy laying in huge stores of all kinds.

Indications Situation Less Grave

(Associated Press by Federal Wireless)

LONDON, Eng., Feb. 6.—The American steamship line announces acceptance of bookings for the steamers Philadelphia and Finland.

LONDON, Eng., Feb. 6.—An official of the Belgian relief commission stated today that the Spanish ambassador at Berlin is endeavoring to have Germany respect her previous guarantees not to sink ships carrying relief supplies for Belgium.

Carranza Congratulates Kaiser

LONDON, Eng., Feb. 6.—A Reuter's despatch says that a wireless message has appeared in German papers to the effect that Gen. Carranza, "first chief" in Mexico, has sent his best wishes to Emperor Wilhelm, from Queretaro.